

E. LEON JIMENES, C. por A.

DOMINICAN REPUBLIC

June, 1969

2012580580

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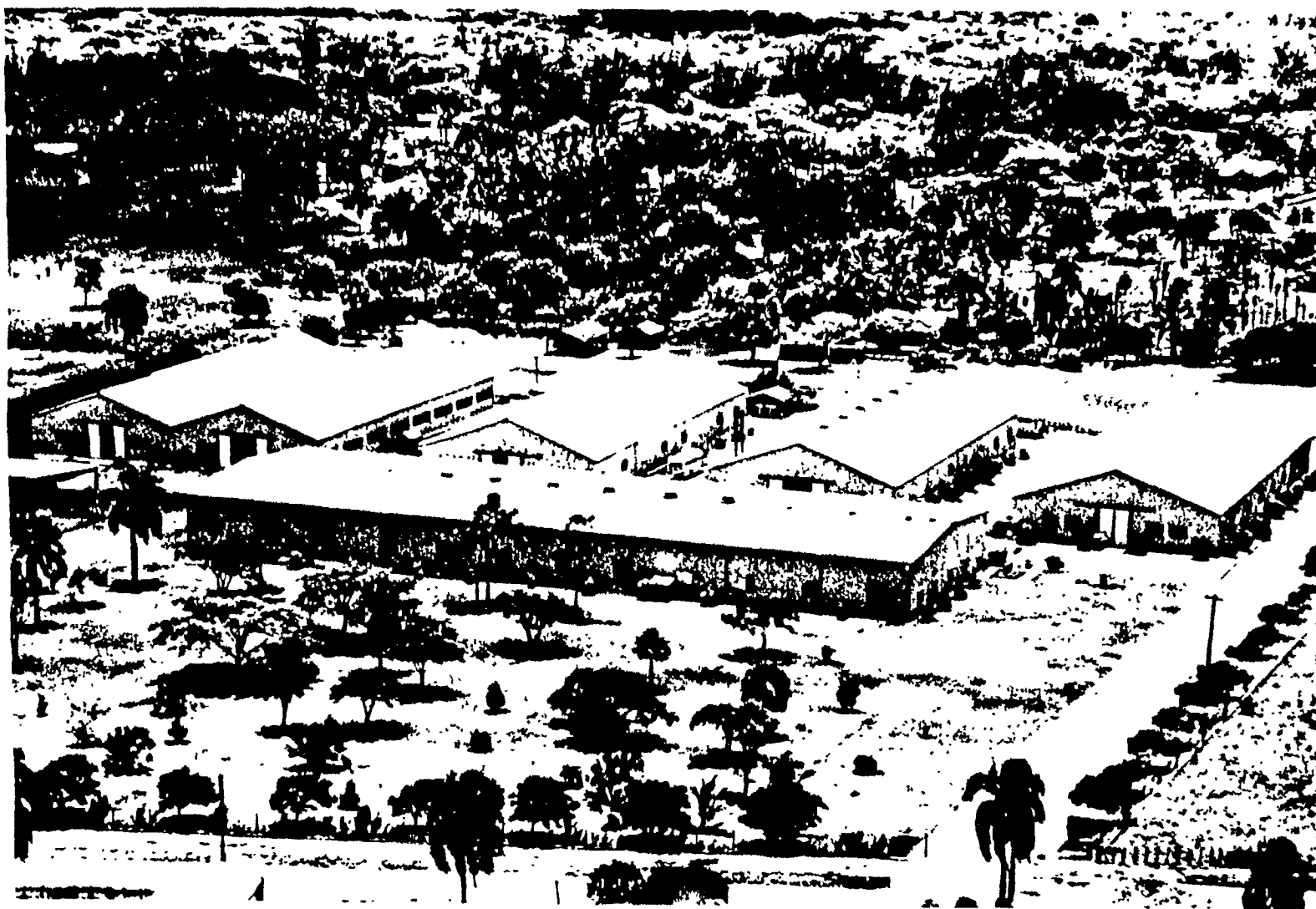
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E. LEON JIMENES - MANUFACTURING PLANT - SANTIAGO, DOMINICAN REPUBLIC



2012580584

PROPOSAL

100 Park Avenue, N.Y., N.Y. 10017

Subject: Proposed Acquisition of a 51 Percent Interest in E. Leon Jimenes C. Por A.  
(Incorporated in the Dominican Republic)

## 1. Authorization Requested

Philip Morris International respectfully requests that the Board of Directors grant the proper officers of the company the authority to purchase a controlling interest in E. Leon Jimenes C. por A. (herein E.L.J.), a large manufacturer of cigarettes in the Dominican Republic.

The extent of this authority may be expressed in dollars as follows:

|   |             |
|---|-------------|
| Acquisition of Common Shares of E.L.J.<br>representing 51% controlling interest | \$2,530,000 |
|---|-------------|

|   |            |
|---|------------|
| Acquisition of additional Common Shares<br>under options expiring October 1, 1976<br>if necessary to retain control | \$ 173,000 |
|---|------------|

|  |                    |
|--|--------------------|
| Provision for Expenses and Contingencies | \$ 97,000          |
|  | <u>\$2,800,000</u> |

In addition, authority is requested to guarantee bank loans to E.L.J. up to \$750,000 for the purposes of carrying out certain factory improvements and commencement of a Burley and Virginia tobacco growing program.

## 2. Background

Philip Morris has been interested in the Dominican Republic cigarette market for many years as a result of very high local profit margins and the strong popularity of our Marlboro brand. Our efforts to enter the market in the past have not been fruitful because of our inability to acquire any significant equity interest, the limited profit from available licensing agreements, and the poor prevailing political climate. Until 1963 the only sizable cigarette manufacturer in the market was a government controlled company.

However, in that year, E.L.J., previously established in 1903 for the manufacture of cigars, entered the cigarette business with the opening of a modern plant in the city of Santiago. Since that time the company has been able to obtain approximately 24 percent of the total market and 31 percent of the faster growing and more profitable rubio market.

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Recent operating results of E.L.J. are as follows:

|      | <u>Cigarette<br/>Sales M</u> | <u>Dollar<br/>Sales</u> | <u>Income After<br/>Taxes</u> |
|------|------------------------------|-------------------------|-------------------------------|
| 1964 | 582,710                      | \$10,365,000            | \$ 259,800                    |
| 1965 | 473,135                      | 9,001,900               | 184,400                       |
| 1966 | 524,615                      | 9,437,700               | (112,900)                     |
| 1967 | 533,885                      | 9,012,700               | 203,000                       |
| 1968 | 431,878                      | 8,505,900               | 34,100                        |

The erratic sales and profit picture reflects normal start-up problems and political and economic conditions which prevailed in the Dominican Republic during the period 1965/67. The 1968 results were affected by a local price increase which caused a substantial sales drop in the company's leading black cigarette brand.

The Leon family, which owns approximately 70% of the outstanding shares of E.L.J. has now agreed to the acquisition of a controlling interest by Philip Morris in the Dominican company. P.M.I. management is of the opinion that our association with this local company and the license to it of Philip Morris trademarks will result in an increase in E.L.J.'s share of market and a substantial improvement in its profitability.

### 3. Proposed Transaction

It is proposed that ownership of the controlling interest in E.L.J. be held by Philip Morris International Finance Corporation ("Finance"), which must supply the funds for the acquisition in order to comply with U.S. balance of payments requirements.

Under the proposed transaction approximately 90% of the \$2,530,000 acquisition cost will remain in the corporation, \$1,870,000 as a result of the issuance of new shares to Finance, and an additional \$338,000 as a result of the repayment of existing stockholder loans.

Philip Morris has agreed to the issuance by E.L.J. of options expiring on October 1, 1976, to certain family members to purchase a total of 6,920 new shares at par value in return for the surrender of existing family shares at the closing of the transaction to further reduce shareholders' loans. This has given rise to the need for issuance of options for a similar number to Finance in order to permit us to maintain our controlling interest in E.L.J. Although authorization to exercise such options is requested, it is not contemplated that we will take up the shares unless necessary to retain this control.

The substantial and attractive excise tax and duty savings resulting from the use of locally-grown tobacco makes the commencement of a rubio tobacco leaf growing program most attractive. This will necessitate

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additional borrowing as to which the authorization for guarantee by Philip Morris is requested.

It is anticipated that the four members of the Leon family presently active in the management of E.L.J. will continue with the company under employment contracts to be entered into with them.

#### 4. Political Climate

As noted above, the political situation in the Dominican Republic has caused grave concern in considering any past investment. However, recent indications are that the country is approaching stability.

After Trujillo's assassination in 1961, the Dominican Republic deteriorated steadily until the 1965 Civil War erupted and the U.S. Government intervened. As a result of this intervention a provisional government was installed and shortly thereafter elections were held. These resulted in the election of Joaquin Balaguer and a period of relative calm in the country.

Balaguer will finish his term in office in 1970 and, although he has not as yet indicated his plans, it is assumed that he will choose to run for reelection next year. The only other candidates given a chance of election to the presidency are Hector Garcia Godoy (former President during the care-taker government) and the present Vice President Lora. Under any of these three choices, people seem rather confident that at least for the next five years, one should expect no serious upheavals.

P.M.I. management has obtained favorable opinions regarding the advisability of an investment in the Dominican Republic at this time from various sources in Washington, including interested U.S. government agencies and two large Washington law firms already well acquainted with the country through their representation of other American interests in the area. All indications are that the U.S. Government has made a moral commitment to assist the Dominican Republic and the improved political and economic climate has resulted in a substantial number of new investments on the part of U.S. companies.

#### 5. Investment Guarantees

As with our investment in Nigeria, it is our intention to apply for and obtain to the extent possible extended risk guarantees from the Agency for International Development. We understand that expropriation, non-convertibility and war risk coverages are available with respect to our proposed investment and should be forthcoming.

The business, brands, financial, history and other pertinent information regarding E.L.J. are more fully described in the balance of the material attached.

Very respectfully,



Hugh Cullman

HC:ss

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COMPANY

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E. LEON JIMENES - CIGARETTE MAKING FACILITY - SANTIAGO, DOMINICAN REPUBLIC

## THE COMPANY

### History

E. Leon Jimenes, C. por A. (LEON) was established in 1903 by Senor Eduardo A. Leon Jimenes, for the manufacture of cigars. Control was assumed by the founder's four sons in 1951, and in 1963 the company entered the cigarette business with the opening of a plant in Santiago. In that year the company captured 22.7% of the country's cigarette market from the only other manufacturer, Compania Anonima Tabacalera (CAT) (government owned and operated). At present, LEON has some 24% of the total market and 31% of the faster growing and more profitable rubio market. Cigars now comprise approximately 3% of sales (\$313,000 in 1968).

### Production

The factory in Santiago occupies approximately 50,000 square feet, on a site of 646,000 square feet. Monthly production capacity is 100 million units and, therefore, quite adequate to meet sales projections of 611 million units in 1971. On inspection, the plant was found to be generally efficient, requiring only improved scheduling, layout, and very minor capital expenditures.

### Marketing

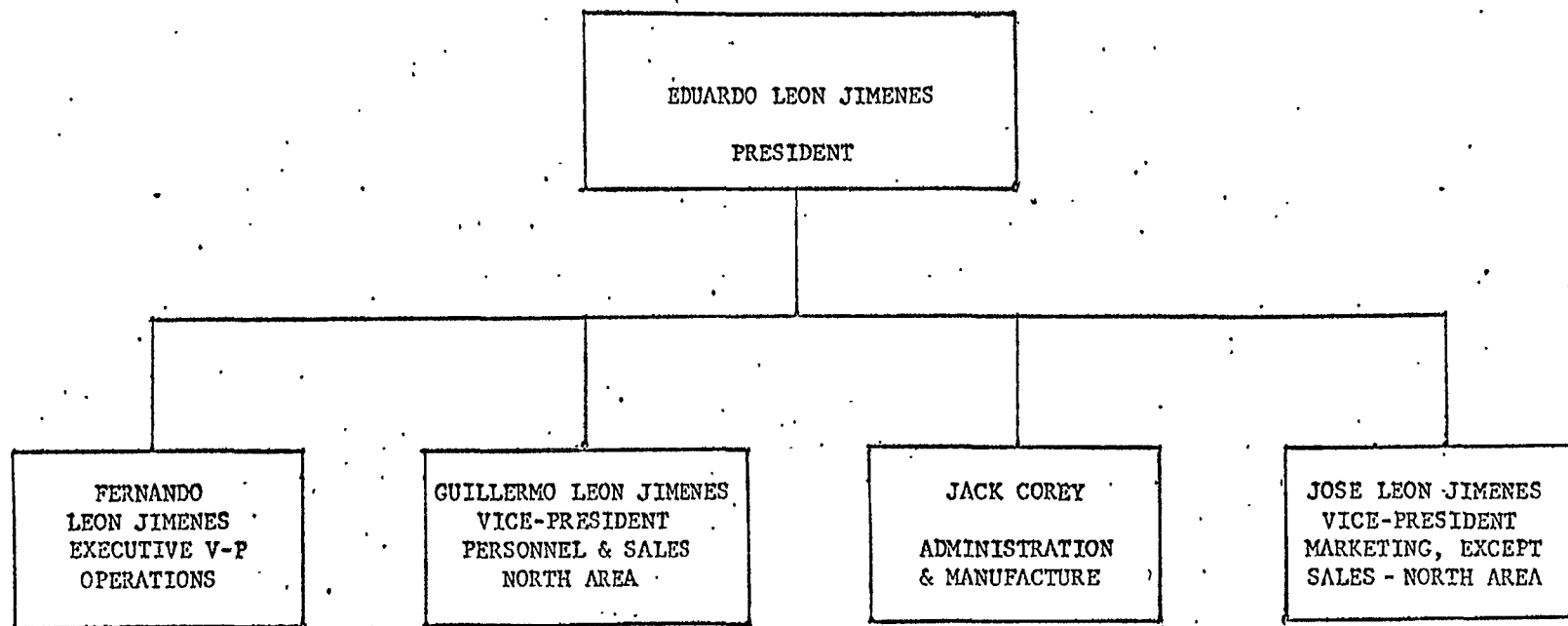
As can be seen in the income statement, marketing expense has fluctuated substantially, and generally in inverse proportion to profits. In 1968 the advertising budget totalled \$365,000 with the bulk going to radio (\$200,000), TV (\$42,000) and sampling (\$60,000). Publicidad has been the company's agency, but recently a pilot project has been given to Young and Rubicam.

Distribution is via two warehouses, one in Santiago and the other in Santo Domingo. The company's twenty-one salesmen sell directly to retailers and a further thirty-six missionary men are employed by the company.

### Control

The Jimenes family holds 70% of the company's outstanding stock.

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E. LEON JIMENES  
ORGANIZATION CHART

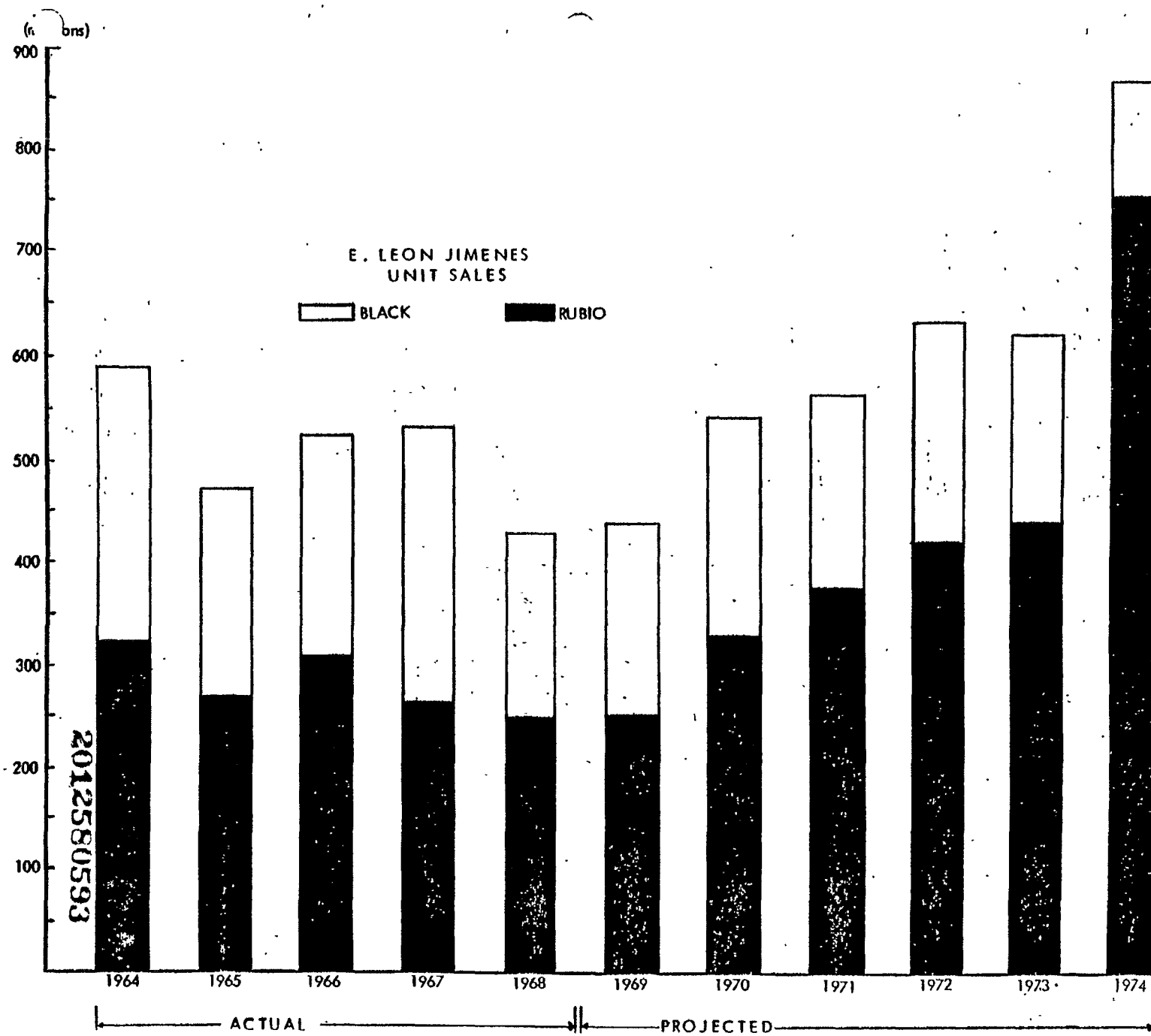
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## E. LEON JIMENES C. por A.

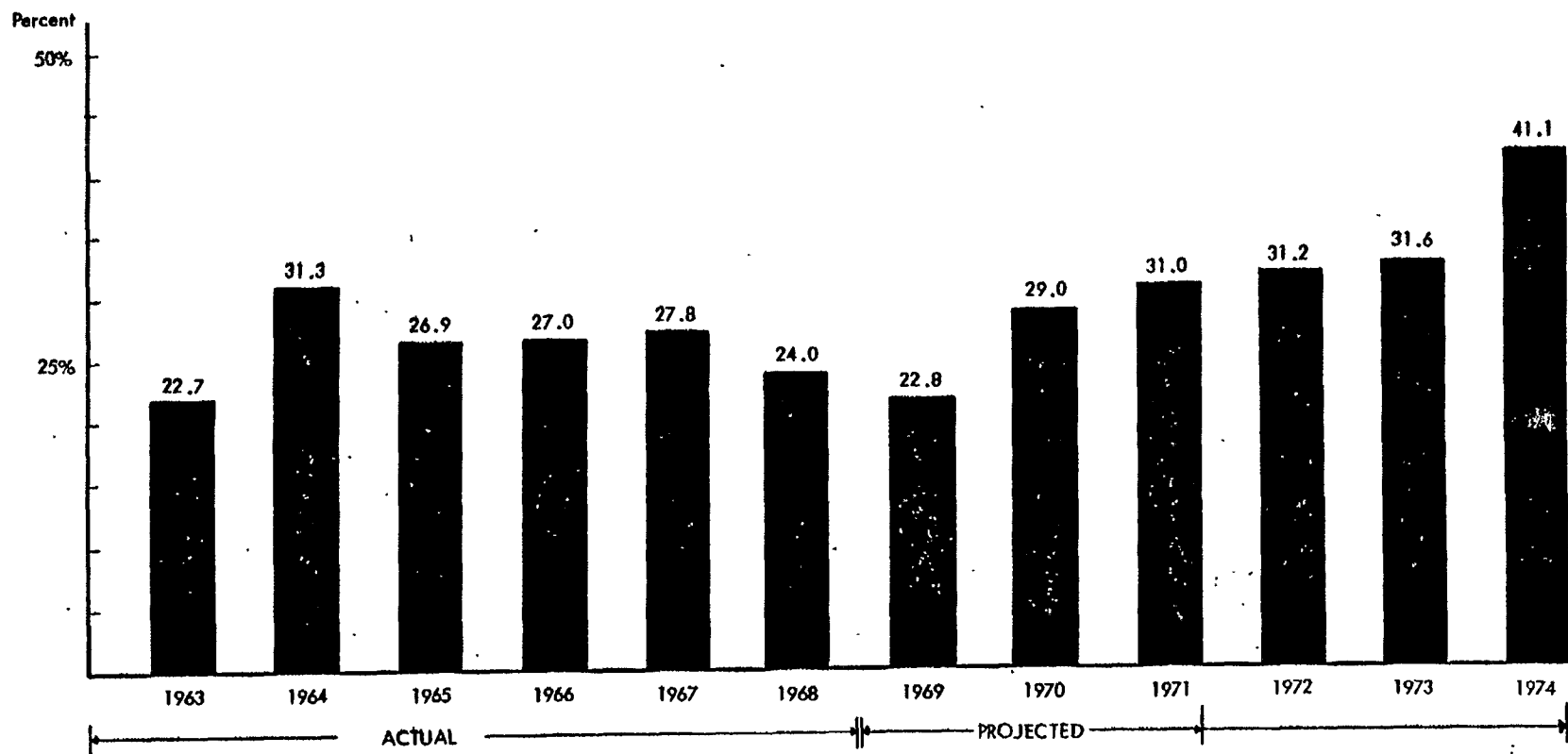
UNIT SALES BY BRAND  
(Millions)

|                                   | Actual       |              | Projected    |              |              |              |              |              |              |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                   | 1966         | 1967         | 1968         | 1969         | 1970         | 1971         | 1972         | 1973         | 1974         |
| <b>Rubio Brands:</b>              |              |              |              |              |              |              |              |              |              |
| Premier                           | 268.6        | 231.4        | 216.2        | 185.8        | 86.0         | 76.5         | 70.0         | 60.0         | 50.0         |
| Premier 100's                     |              |              | 26.0         | 11.3         | 5.2          | 4.8          | 4.5          | 4.5          | 4.5          |
| Polar                             | 9.2          | 6.2          | 1.4          | .1           |              |              |              |              |              |
| Sublimes                          | 5.7          | 4.7          | 3.3          | .7           |              |              |              |              |              |
| Club                              | 24.6         | 20.8         | 3.9          | .6           |              |              |              |              |              |
| <b>New Brands:</b>                |              |              |              |              |              |              |              |              |              |
| Marlboro 20's LS                  |              |              |              | 32.2         | 83.0         | 87.0         | 145.0        | 150.0        | 155.0        |
| Marlboro 10's LS                  |              |              |              | 21.0         | 55.0         | 59.0         |              |              |              |
| Marlboro MKS 20's                 |              |              |              |              | 7.0          | 8.0          | 15.0         | 17.0         | 19.0         |
| Marlboro MKS 10's                 |              |              |              |              | 3.5          | 4.5          |              |              |              |
| Philip Morris KSF 20's            |              |              |              |              | 44.5         | 49.0         | 110.0        | 135.0        | 100.0        |
| Philip Morris KSF 10's            |              |              |              |              | 24.0         | 26.5         |              |              |              |
| Parliament LS 20's                |              |              |              |              | 15.5         | 28.0         | 55.0         | 55.0         | 55.0         |
| Parliament LS 10's                |              |              |              |              | 9.0          | 16.0         |              |              |              |
| Benson & Hedges 100's             |              |              |              |              |              | 17.5         | 20.0         | 22.0         | 24.0         |
| \$.40 King Size Filter            |              |              |              |              |              |              |              |              | 360.0        |
| <b>Total Rubio Brands</b>         | <b>308.1</b> | <b>263.1</b> | <b>250.8</b> | <b>251.7</b> | <b>332.7</b> | <b>376.8</b> | <b>419.5</b> | <b>443.5</b> | <b>767.5</b> |
| <b>Share of Rubio Market</b>      | <b>47%</b>   | <b>36.9%</b> | <b>31.1%</b> | <b>26.0%</b> | <b>32.3%</b> | <b>34.3%</b> | <b>35.0%</b> | <b>35.5%</b> | <b>54.8%</b> |
| <b>Black Brands:</b>              |              |              |              |              |              |              |              |              |              |
| Aurora 80MM R                     | 142.5        | 89.8         | 6.0          | 1.7          |              |              |              |              |              |
| Aurora 70MM F                     |              |              | 96.2         | 119.7        | 155.5        | 166.0        | 150.0        | 140.0        | 70.0         |
| Aurora 70MM NF                    |              |              | 17.9         | 9.3          | 12.0         |              |              |              |              |
| Aurora 100's F                    |              |              |              | 12.7         | 30.0         | 32.0         | 30.0         | 25.0         | 15.0         |
| Leones                            | 38.5         | 23.6         | 6.9          | 4.7          | 2.5          |              |              |              |              |
| Apolo                             | 16.9         | 122.5        | 45.4         | 37.5         | 34.9         | 36.4         | 25.0         | 15.0         | 10.0         |
| Perlas                            | 18.5         | 8.3          | 3.3          | .7           |              |              |              |              |              |
| Other                             | .1           | 26.5         | 5.3          | .4           |              |              |              |              |              |
| <b>Total Black Brands</b>         | <b>216.5</b> | <b>270.8</b> | <b>181.0</b> | <b>186.7</b> | <b>234.9</b> | <b>234.4</b> | <b>205.0</b> | <b>180.0</b> | <b>95.0</b>  |
| <b>Share of Black Cig. Market</b> | <b>17.0%</b> | <b>22.4%</b> | <b>18.2%</b> | <b>19.6%</b> | <b>25.5%</b> | <b>26.6%</b> | <b>25.6%</b> | <b>24.0%</b> | <b>13.6%</b> |

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E. LEON JIMENES  
MARKET SHARE



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# E. LEON JIMENES

## RUBIO



**\$.60**



**\$.60**



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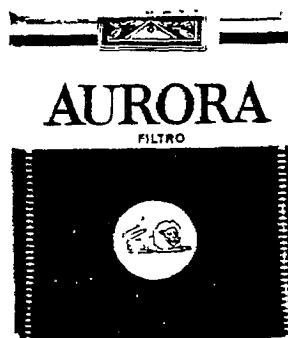
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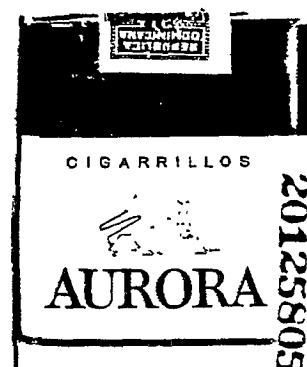
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# COMPañIA ANONIMA TABACALERA

## RUBIO



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**MENTHOL**



**\$.60**



**\$.20**



**\$.60**



**\$.30**

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FINANCIAL STATEMENTS

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### FINANCIAL PROJECTIONS

The attached statements of E. Leon Jimenes reflect five year actual figures (1964 - 1968) as reported by Price Waterhouse & Co. and projected figures for 1969 - 1974.

The past five years of this company indicate a generally profitable picture. Only one year of the last five has been a loss year. It appears that a recent inability to effectively control and profitably utilize marketing expenses, as well as burdensome financing costs, have kept this company from achieving higher profit levels. In the face of stiff competition the market share for this company decreased in 1968 despite high marketing expenses. This trend has been partially reversed during the first five months of 1969 and should continue to show improvement with the introduction of P.M. brands.

The results of a six year projection reveal an increasing share of the profitable rubio market and a substantial decrease in financing costs. Costs of production and other expenses reflect generally increasing price levels and the increased expenses inherent with higher sales volumes. Included in General & Administrative Expenses is a special provision for bonuses for the company's management. These bonuses are limited by contract to a total of \$700,000.00 over a seven year period. In the proforma statements, 10% of the net income before the bonus and taxes has been provided for this purpose. Marketing expenses decline in 1971 after the introduction of several Philip Morris brands in 1970. In 1974 unit sales increase considerably as a new rubio brand made with locally grown tobaccos is introduced.

Our sales projections for the next three years are heavily dependent on the introduction of Marlboro at a retail price of \$.70 per pack and Philip Morris Filter at \$.60 per pack.

The Marlboro brand has been the most popular number one American brand in this market since 1958. Prior to 1962 when importation of American cigarettes was suspended, Marlboro had a 30% share of all imported cigarettes. Because of this, we believe that our projection of a 7% share of the total market for this brand will be met on schedule.

Philip Morris Filter will be introduced in January of 1970 at a price to the public similar to the leading rubio brands Montecarlo and Premier. The reputation of the Philip Morris name and more effective advertising and marketing efforts should assure this brand's acceptance.

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The initial investment required of Philip Morris totals \$2,530,000. Of this amount, \$510,000 will be paid to the existing stockholders as a special acquisition dividend. \$338,000 of this dividend will be returned to the corporation to liquidate stockholder loans. The remainder of the purchase price (\$2,020,000) will be used to purchase 50.06% of the common stock from the corporation. This payment will not go to outside stockholders, but will be used to purchase newly created common shares. In addition Philip Morris will receive options on 6,800 additional shares at a price of \$25 a share. A similar number of options have been granted to certain existing stockholders. If these options are exercised in the future the cost will be \$173,000. In addition, there is a provision for expenses and contingencies of \$97,000. This would make the total PM investment \$2,800,000.

The P.M. investment cash received by this company will be used to finance inventory purchases and eliminate much of the high cost, restrictive debt that the company now possesses. In addition a program of capital expenditures will be undertaken mainly for the purpose of supporting a leaf growing program. During the first several years of operation, the timing of leaf purchases, the debt liquidation program and the capital expenditure program may necessitate short term financing of up to \$750,000.

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E. LEON JIMENES, C. POR A.

SUMMARY OF FINANCIAL DATA

|                                 | <u>1969</u>       | <u>1970</u>      | <u>1971</u>      | <u>1972</u>      | <u>1973</u>      | <u>1974</u>      |
|---------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| Net Income                      | <u>\$115,000*</u> | <u>\$387,000</u> | <u>\$548,000</u> | <u>\$636,000</u> | <u>\$637,000</u> | <u>\$970,000</u> |
| P.M. Share at 50.06%            | 57,600            | 193,700          | 274,300          | 318,400          | 318,900          | 485,600          |
| P.M. Royalties - Net of Tax     | <u>10,600</u>     | <u>33,500</u>    | <u>43,000</u>    | <u>45,600</u>    | <u>48,000</u>    | <u>49,000</u>    |
|                                 | \$ 68,200         | \$227,200        | \$317,300        | \$364,000        | \$366,900        | \$534,600        |
| Return on Original Investment** | <u>6.5%</u>       | <u>9.0%</u>      | <u>12.5%</u>     | <u>14.4%</u>     | <u>14.5%</u>     | <u>21.1%</u>     |
| Dividends Declared              | - 0 -             | \$325,000        | \$325,000        | \$400,000        | \$500,000        | \$500,000        |
| P.M. Dividend Share             | - 0 -             | \$162,700        | \$162,700        | \$200,200        | \$250,300        | \$250,300        |

\* Net Income during period of P.M. ownership (August 1 - December 31)

\*\* Assumes investment of \$2,020,000 in the stock of the company and a \$510,000 goodwill payment to existing stockholders.

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E. LEON JIMENES, C. POR A.  
INCOME STATEMENT

|                             | As Reported By Price Waterhouse & Co. |                   |                     |                   |                  | Projected         |                   |                   |                   |                   |                   |
|-----------------------------|---------------------------------------|-------------------|---------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                             | 1964                                  | 1965              | 1966                | 1967              | 1968             | 1969              | 1970              | 1971              | 1972              | 1973              | 1974              |
| Unit Sales ( 000 )          |                                       |                   |                     |                   |                  |                   |                   |                   |                   |                   |                   |
| Rubio                       | 323,200                               | 267,595           | 308,100             | 263,050           | 250,842          | 251,681           | 332,700           | 376,800           | 419,500           | 443,500           | 767,500           |
| Black                       | 259,510                               | 205,540           | 216,515             | 270,835           | 181,036          | 186,662           | 234,850           | 234,400           | 205,000           | 180,000           | 95,000            |
|                             | <u>582,710</u>                        | <u>473,135</u>    | <u>524,615</u>      | <u>533,885</u>    | <u>431,878</u>   | <u>438,343</u>    | <u>567,550</u>    | <u>611,200</u>    | <u>624,500</u>    | <u>623,500</u>    | <u>862,500</u>    |
| Net Sales                   | \$ 10,365,000                         | \$ 9,001,900      | \$ 9,437,700        | \$ 9,012,700      | \$ 8,505,900     | \$ 9,068,200      | \$ 12,013,700     | \$ 13,536,200     | \$ 14,301,500     | \$ 14,737,100     | \$ 18,473,700     |
| Cost of Sales               | <u>8,567,900</u>                      | <u>7,407,900</u>  | <u>7,783,900</u>    | <u>7,220,900</u>  | <u>6,806,700</u> | <u>7,115,000</u>  | <u>9,337,000</u>  | <u>10,606,600</u> | <u>11,157,200</u> | <u>11,560,600</u> | <u>14,488,700</u> |
| Available Profit            | <u>1,797,100</u>                      | <u>1,594,000</u>  | <u>1,653,800</u>    | <u>1,791,800</u>  | <u>1,699,200</u> | <u>1,953,200</u>  | <u>2,676,700</u>  | <u>2,929,600</u>  | <u>3,144,300</u>  | <u>3,176,500</u>  | <u>3,985,000</u>  |
| Advertising & Selling       | 743,400                               | 648,700           | 1,076,900           | 870,600           | 1,000,700        | 891,900           | 1,255,900         | 1,187,600         | 1,200,000         | 1,200,000         | 1,350,000         |
| Royalties                   | -                                     | -                 | -                   | -                 | -                | 21,200            | 67,000            | 86,000            | 91,300            | 96,100            | 98,000            |
| Total Marketing             | <u>743,000</u>                        | <u>648,700</u>    | <u>1,076,900</u>    | <u>870,600</u>    | <u>1,000,700</u> | <u>913,100</u>    | <u>1,322,900</u>  | <u>1,273,600</u>  | <u>1,291,300</u>  | <u>1,296,100</u>  | <u>1,448,000</u>  |
| General & Administrative    | 442,100                               | 497,200           | 496,400             | 486,900           | 444,800          | 519,700           | 661,600           | 717,200           | 770,300           | 795,500           | 888,200           |
| Total Expenses              | <u>1,185,500</u>                      | <u>1,145,900</u>  | <u>1,573,300</u>    | <u>1,357,500</u>  | <u>1,445,500</u> | <u>1,432,800</u>  | <u>1,984,500</u>  | <u>1,990,800</u>  | <u>2,061,600</u>  | <u>2,091,600</u>  | <u>2,336,200</u>  |
| Operating Profit            | 611,600                               | 448,100           | 80,500              | 434,300           | 253,700          | 520,400           | 692,200           | 938,800           | 1,082,700         | 1,084,900         | 1,648,800         |
| Non-operating expenses, net | <u>186,600</u>                        | <u>173,700</u>    | <u>193,400</u>      | <u>164,000</u>    | <u>189,400</u>   | <u>145,000</u>    | <u>30,000</u>     | <u>10,000</u>     | <u>5,000</u>      | <u>5,000</u>      | <u>5,000</u>      |
| Pre-Tax Income (Loss)       | 425,000                               | 274,400           | (112,900)           | 270,300           | 64,300           | 375,400           | 662,200           | 928,800           | 1,077,900         | 1,079,900         | 1,643,800         |
| Income Tax                  | <u>165,200</u>                        | <u>90,000</u>     | <u>-</u>            | <u>67,300</u>     | <u>30,200</u>    | <u>159,400</u>    | <u>275,200</u>    | <u>380,800</u>    | <u>441,700</u>    | <u>442,900</u>    | <u>673,800</u>    |
| Net Income (Loss)           | <u>\$ 259,800</u>                     | <u>\$ 184,400</u> | <u>\$ (112,900)</u> | <u>\$ 203,000</u> | <u>\$ 34,100</u> | <u>\$ 216,000</u> | <u>\$ 387,000</u> | <u>\$ 548,000</u> | <u>\$ 636,000</u> | <u>\$ 637,000</u> | <u>\$ 970,000</u> |
| Cash Dividends              | \$ 152,000                            | -                 | -                   | 100,000           | -                | -                 | \$ 325,000        | \$ 325,000        | \$ 400,000        | \$ 500,000        | \$ 500,000        |
| Stock Dividends             | \$ -                                  | 297,000           | -                   | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                 |

\* Net Sales include approximately \$900,000 of leaf, scrap and cigar sales annually.

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E. LEON JIMENES, C. POR A.  
BALANCE SHEET

|                              | As Reported by Price Waterhouse & Co. |                    |                    |                    |                    | Projected          |                    |                    |                    |                    |                    |
|------------------------------|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                              | 1964                                  | 1965               | 1966               | 1967               | 1968               | 1969               | 1970               | 1971               | 1972               | 1973               | 1974               |
| <b>Current Assets</b>        |                                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Cash                         | \$ 107,200                            | 158,700            | 67,200             | 93,300             | 160,000            | \$ 218,000         | \$ 210,000         | \$ 213,000         | \$ 339,000         | \$ 457,000         | \$ 517,000         |
| Receivables                  | 421,000                               | 452,200            | 501,800            | 493,900            | 458,700            | 480,000            | 560,000            | 630,000            | 660,000            | 680,000            | 895,000            |
| Inventory                    | 1,944,700                             | 2,200,300          | 2,346,500          | 1,866,700          | 2,082,800          | 2,458,000          | 2,710,000          | 2,810,000          | 2,930,000          | 3,079,000          | 3,593,000          |
| Other                        | 35,000                                | 136,800            | 32,400             | 44,200             | 1,900              | -                  | -                  | -                  | -                  | -                  | -                  |
| Total                        | 2,508,700                             | 2,948,000          | 2,947,900          | 2,498,100          | 2,703,400          | 3,156,000          | 3,480,000          | 3,653,000          | 3,929,000          | 4,216,000          | 5,005,000          |
| <b>Current Liabilities</b>   |                                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| (Excluding Borrowings)       | 475,500                               | 602,500            | 548,800            | 481,700            | 307,100            | 695,000            | 821,000            | 905,000            | 955,000            | 1,020,000          | 1,230,000          |
|                              | 2,033,200                             | 2,345,500          | 2,399,100          | 2,016,400          | 2,396,300          | 2,461,000          | 2,659,000          | 2,748,000          | 2,974,000          | 3,196,000          | 3,775,000          |
| <b>Net Fixed Assets</b>      | 1,617,000                             | 1,609,200          | 1,605,500          | 1,632,400          | 1,464,500          | 1,944,000          | 2,196,000          | 2,184,000          | 2,155,000          | 2,110,000          | 2,060,000          |
| Long-Term Receivable         | 649,200                               | 617,700            | 795,800            | 852,400            | 849,500            | 355,000            | 115,000            | -                  | -                  | -                  | -                  |
| Other                        | 60,800                                | 30,500             | 8,800              | 18,700             | 23,700             | 40,000             | 75,000             | 90,000             | 100,000            | 115,000            | 110,000            |
| <b>Net Operating Assets</b>  | <u>\$4,360,200</u>                    | <u>\$4,602,900</u> | <u>\$4,809,200</u> | <u>\$4,519,900</u> | <u>\$4,734,000</u> | <u>\$4,800,000</u> | <u>\$5,045,000</u> | <u>\$5,022,000</u> | <u>\$5,229,000</u> | <u>\$5,421,000</u> | <u>\$5,945,000</u> |
| <b>Financed By:</b>          |                                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Debt - Short Term            | 1,829,000                             | 2,164,600          | 2,248,600          | 1,253,700          | 1,653,300          | -                  | 375,000            | 79,000             | -                  | -                  | -                  |
| Long Term                    | 861,000                               | 736,300            | 570,000            | 955,900            | 767,700            | 240,000            | -                  | -                  | -                  | -                  | -                  |
| <b>Long Term Liabilities</b> | -                                     | -                  | -                  | 116,700            | 169,800            | 205,000            | 250,000            | 300,000            | 350,000            | 405,000            | 460,000            |
| <b>Equity - Capital</b>      | 1,271,300                             | 1,271,300          | 2,017,700          | 2,017,700          | 2,032,600          | 4,030,000          | 4,030,000          | 4,030,000          | 4,030,000          | 4,030,000          | 4,030,000          |
| - Reserves                   | 398,900                               | 430,700            | (27,100)           | 175,900            | 110,600            | 325,000            | 390,000            | 613,000            | 849,000            | 986,000            | 1,455,000          |
| <b>Total Financing</b>       | <u>\$4,360,200</u>                    | <u>\$4,602,900</u> | <u>\$4,809,200</u> | <u>\$4,519,900</u> | <u>\$4,734,000</u> | <u>\$4,800,000</u> | <u>\$5,045,000</u> | <u>\$5,022,000</u> | <u>\$5,229,000</u> | <u>\$5,421,000</u> | <u>\$5,945,000</u> |

2090852102

E. LEON JIMENES, C. POR A.  
SOURCE AND APPLICATION OF FUNDS

|   | Dec 31<br>1969     | Dec 31<br>1970     | Dec 31<br>1971   | Dec 31<br>1972   | Dec 31<br>1973   | Dec 31<br>1974     |
|---|--------------------|--------------------|------------------|------------------|------------------|--------------------|
| <b>FUNDS PROVIDED</b>                         |                    |                    |                  |                  |                  |                    |
| Net Income                                    | \$ 216,000         | \$ 387,000         | \$548,000        | \$636,000        | \$637,000        | \$ 970,000         |
| Repayment family loan                         | -                  | 240,000            | 115,000          | -                | -                | -                  |
| P.M. Investment                               | 2,530,000          | -                  | -                | -                | -                | -                  |
| Depreciation                                  | 150,000            | 177,000            | 185,000          | 190,000          | 195,000          | 200,000            |
| Short term debt                               | -                  | 375,000            | -                | -                | -                | -                  |
|   | <u>\$2,896,000</u> | <u>\$1,179,000</u> | <u>\$848,000</u> | <u>\$826,000</u> | <u>\$832,000</u> | <u>\$1,170,000</u> |
| <b>FUNDS REQUIRED</b>                         |                    |                    |                  |                  |                  |                    |
| Debt repayment                                | \$2,180,000        | \$ 240,000         | \$ \$296,000     | \$ 79,000        | \$ -             | \$ -               |
| Capital expenditures                          | 295,000            | 430,000            | 173,000          | 160,000          | 150,000          | 150,000            |
| Increase in working capital<br>and other, net | 166,000            | 254,000            | 54,000           | 262,000          | 282,000          | 520,000            |
| Dividends                                     | -                  | -                  | 325,000 *        | 325,000*         | 400,000*         | 500,000*           |
| Acquisition dividends                         | 255,000            | 255,000            | -                | -                | -                | -                  |
|   | <u>\$2,896,000</u> | <u>\$1,179,000</u> | <u>\$848,000</u> | <u>\$826,000</u> | <u>\$832,000</u> | <u>\$1,170,000</u> |

\* Dividend on prior year's earnings, paid in following year.

0090852102



SUPPORTING DATA

2012580604

## ECONOMY

The Gross National Product of the Dominican Republic is estimated at \$1,120 million for 1968, and has been increasing steadily since the 1965 political crisis. With an estimated population of 3.9 million in 1968, per capita GNP was approximately \$287. The wealth is concentrated in a very small percentage of the population, with the small upper and middle classes that operate the country's industrial and agricultural enterprises, and the roughly 100,000 members of the industrial labor force faring much better than the majority of the population.

Over the past five years the price index has increased by only 3.2% annually. Wages were frozen in 1966, and it is expected that this restriction will be lifted in the near future. With some built-in wage increases in years subsequent to 1966 currently frozen, cost push pressures could result.

Agriculture accounts for 25% of GNP and employs approximately 60% of the total labor force. Government and foreign aid programs are assisting in improving the efficiency of agricultural production. Sugar is the major crop, providing 14% of GNP and more than 50% of the country's foreign exchange earnings. Other exports include coffee, cacao, bauxite, bananas and black tobacco.

Total exports have been rising in recent years, but there is still a trade deficit. This deficit has been offset by long-term, low interest loans as well as grants from the U.S. These capital transfers, coupled with the possibility of a trade surplus in 1969, indicate that devaluation of the Dominican Republic Peso is unlikely in the near future. This view is currently held by the International Monetary Fund.

In addition to the loans and grants through the Agency for International Development (AID), substantial private investment has been provided by U.S. firms such as Alcoa, Gulf & Western, Central Aguirre, American Can Co., and Stokeley van Camp.

The present government under President Joaquin Balaguer is generally considered as moderate and has made significant progress in recovering after the 1965 civil revolt. The major problems being faced at the present time are high unemployment (approximately 30 - 35%), low levels of education, and a weak infrastructure. Public works projects have been instituted to provide employment and improved roads and irrigation systems. The government is also establishing better education facilities, particularly in the rural areas. The next presidential election will be held in June, 1970, and Balaguer, should he choose to run, would be heavily favored to win. If he does not run for re-election, it is interesting to note that the major candidates would be from the center or right rather than the left wing elements.

**2012580605**

RECENT FOREIGN INVESTMENT IN THE DOMINICAN REPUBLIC

| <u>Company</u>   | <u>Business</u> | <u>Amount of Investment</u> |
|------------------|-----------------|-----------------------------|
| Falcon Bridge    | Nickel Mining   | \$ 180,000,000              |
| Shell Oil Co.    | Oil Refinery    | 30,000,000                  |
| Iberia Airlines  | Hotel           | 15,000,000                  |
| Nestle           | Dairy Products  | 2,000,000                   |
| American Can Co. | Metal Cans      | 1,500,000                   |
| Stokely Van Camp | Canning         |                             |

2012580606

**United States Loans and Grants, Net Obligations and Loan Authorizations to Dominican Republic,  
Fiscal Years, 1962-67 (In million dollars)**

| PROGRAM   | 1962             | 1963        | 1964        | 1965        | 1966         | 1967        |
|---|------------------|-------------|-------------|-------------|--------------|-------------|
| <b>A.I.D. AND PREDECESSOR AGENCIES—TOTAL</b>                      | <b>26.0</b>      | <b>29.6</b> | <b>-0.7</b> | <b>52.9</b> | <b>93.8</b>  | <b>55.2</b> |
| Loans   | 25.0             | 2.1         | —           | 15.5        | 39.5         | 47.1        |
| Grants  | 1.0              | 27.5        | -0.7        | 37.4        | 54.3         | 6.1         |
| <b>SOCIAL PROGRESS TRUST FUND</b>                                 | <b>—</b>         | <b>6.5</b>  | <b>—</b>    | <b>3.8</b>  | <b>—</b>     | <b>—</b>    |
| <b>FOOD FOR FREEDOM—TOTAL</b>                                     | <b>0.8</b>       | <b>13.7</b> | <b>12.9</b> | <b>11.0</b> | <b>5.4</b>   | <b>4.2</b>  |
| Title I—Sales Agreements:   |                  |             |             |             |              |             |
| PAYABLE IN FOREIGN CURRENCY                                       | —                | —           | —           | —           | —            | —           |
| (Total Sales Agreements)  | (—)              | (—)         | (—)         | (—)         | (—)          | (—)         |
| (Planned for U.S. Uses)   | (—)              | (—)         | (—)         | (—)         | (—)          | (—)         |
| Planned for Country Use   | —                | —           | —           | —           | —            | —           |
| Economic Development Loans  | —                | —           | —           | —           | —            | —           |
| Economic Development Grants                                       | —                | —           | —           | —           | —            | —           |
| Common Defense Grants   | —                | —           | —           | —           | —            | —           |
| Cooley Loans  | —                | —           | —           | —           | —            | —           |
| Other Grants  | —                | —           | —           | —           | —            | —           |
| Assistance From Other Country Agreements                          | —                | —           | —           | —           | —            | —           |
| PAYABLE IN U.S. DOLLARS—LOANS                                     | —                | 4.8         | 4.7         | 4.1         | —            | —           |
| Title II—Donations:   |                  |             |             |             |              |             |
| EMERGENCY RELIEF & ECONOMIC DEVELOPMENT                           | —                | 2.6         | —           | 3.5         | —            | —           |
| VOLUNTARY RELIEF AGENCIES   | 0.8              | 6.3         | 8.2         | 3.4         | 5.4          | 4.2         |
| EXPORT-IMPORT BANK LONG-TERM LOANS                                | 8.0              | —           | —           | 7.4         | 8.1          | —           |
| OTHER U.S. ECONOMIC PROGRAMS                                      | 0.2              | 1.3         | 1.2         | 1.1         | 0.9          | 0.8         |
| <b>TOTAL ECONOMIC</b>   | <b>35.0</b>      | <b>51.1</b> | <b>13.4</b> | <b>76.2</b> | <b>108.2</b> | <b>58.2</b> |
| Loans   | 33.0             | 13.4        | 4.7         | 30.8        | 47.6         | 47.1        |
| Grants  | 2.0              | 37.7        | 8.7         | 45.4        | 60.6         | 11.1        |
| <b>MILITARY ASSISTANCE PROGRAM—(Chg. to FAA App.)<sup>1</sup></b> | <b>0.2</b>       | <b>1.9</b>  | <b>1.5</b>  | <b>1.2</b>  | <b>1.7</b>   | <b>3.4</b>  |
| Credit Assistance   | —                | —           | —           | —           | —            | —           |
| Grants  | 0.2              | 1.9         | 1.5         | 1.2         | 1.7          | 3.4         |
| (Additional Grants from Excess Stocks)                            | ( <sup>2</sup> ) | (0.2)       | (0.2)       | (0.1)       | (0.1)        | (0.3)       |
| <b>OTHER MILITARY ASSISTANCE GRANTS</b>                           | <b>—</b>         | <b>—</b>    | <b>—</b>    | <b>—</b>    | <b>—</b>     | <b>—</b>    |
| <b>EXPORT-IMPORT BANK MILITARY LOANS</b>                          | <b>—</b>         | <b>—</b>    | <b>1.0</b>  | <b>—</b>    | <b>—</b>     | <b>—</b>    |
| <b>TOTAL MILITARY</b>   | <b>0.2</b>       | <b>1.9</b>  | <b>2.5</b>  | <b>1.2</b>  | <b>1.7</b>   | <b>3.4</b>  |
| <b>TOTAL ECONOMIC AND MILITARY</b>                                | <b>35.2</b>      | <b>53.0</b> | <b>15.9</b> | <b>77.4</b> | <b>109.9</b> | <b>61.6</b> |
| Loans   | 33.0             | 13.4        | 4.7         | 30.8        | 47.6         | 47.1        |
| Grants  | 2.2              | 39.6        | 11.2        | 46.6        | 62.3         | 14.5        |

<sup>1</sup> Annual data represent deliveries.

<sup>2</sup> Less than \$50,000.

Source: Agency for International Development.

2090852102

## CIGARETTE INDUSTRY

The country's total cigarette market has been largely static over the last five years, with unit sales volume having declined fractionally from 1.8 billion units in 1963 to just under this level in 1968. However, rubio cigarettes, which represented 45% of the market in 1968, have grown at a 7.4% annual rate; black tobacco cigarettes (the other 55% of the market) have suffered a 4.4% annual decline over the same period.

In value terms, at manufacturers' prices, the market is estimated at \$28 million with rubio types contributing more than proportionally with some 71% of dollar sales (\$20 million). The manufacturer (LEON) obtains a 10.7¢ marginal contribution on rubios (20 pack retailing for 60¢) and a 3.8¢ margin on "blacks" (20 pack retailing for 20¢ and 25¢). LEON, with 31% of the rubio market as opposed to 18% of the black cigarette market, is well placed to take advantage of the more profitable market segments. In both segments, filter cigarettes have performed better than non-filters, and now comprise 85% of the rubio market and 35% of the "black" market.

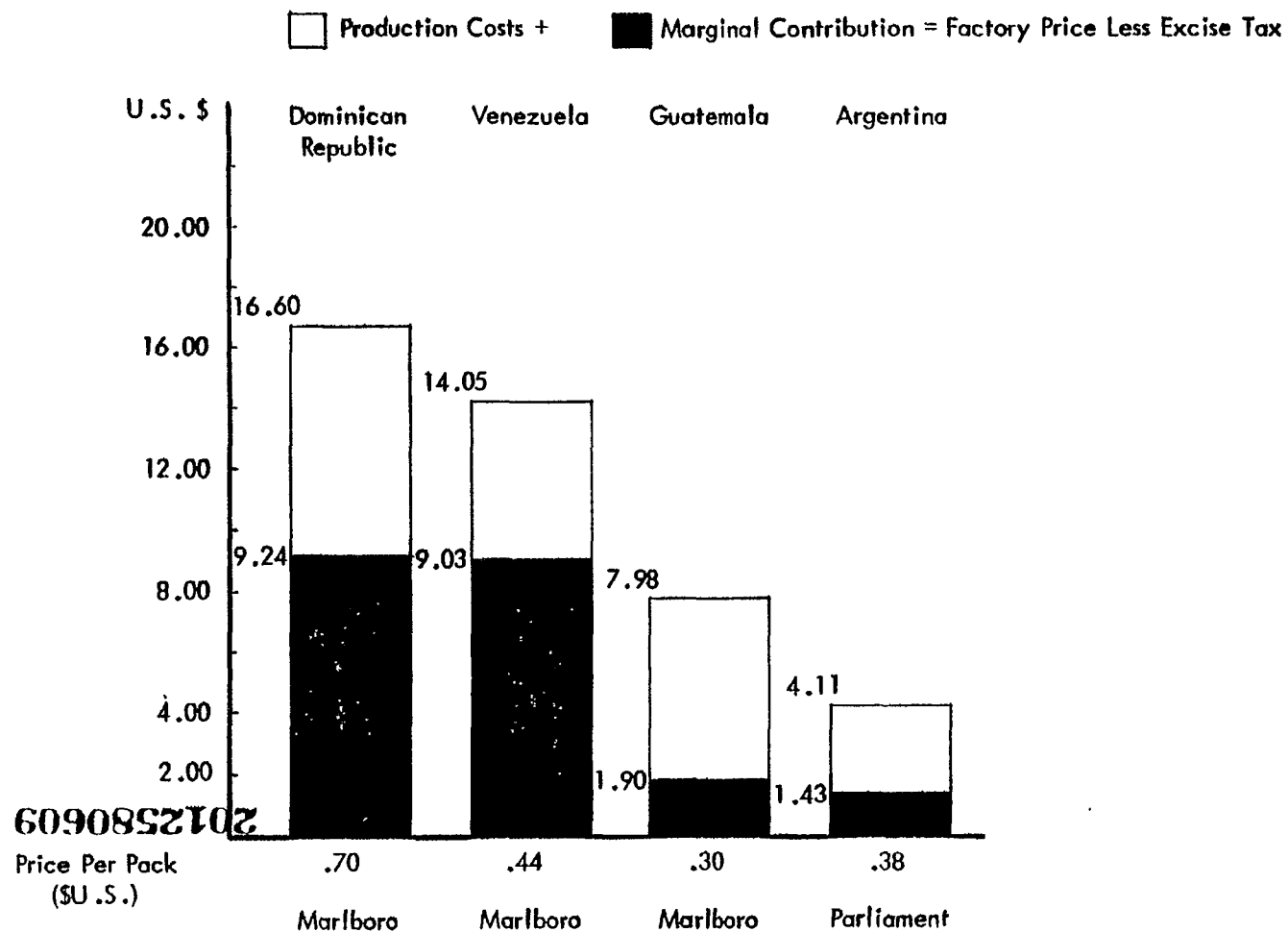
Cigarette imports are negligible (approximately 5 million units in 1968 of which 31% was from PM) on account of the high protective tariffs (\$13.50 per 1000 cigarettes). Imports are generally to foreign embassies and consulates.

Leaf tobacco for the black cigarettes is largely locally grown, while U.S. imported leaf and strips are used for the rubio blends. Import duty is officially \$2.50 per kilo, however, LEON has obtained a 50% exoneration for 1969 which will result in a tax saving of \$360,000.

The Dominican Republic cigarette market is shared between the state owned and controlled CAT with 76% of the market in 1968, and LEON with the remaining 24% of the market. CAT was formerly owned by the Trujillo family and is now managed by CORDE, the government organization established to control the former dictator's holdings (which amounted to some 50% of the country's productive assets). To date, it has been government policy to retain its manufacturing operations. However, wearying of the necessity of providing annual supporting subsidies, it is not unlikely that the government will consider divestiture in the next few years.

2012580608

COMPARATIVE PRODUCTION COSTS & MARGINS  
PER 1,000 CIGARETTES

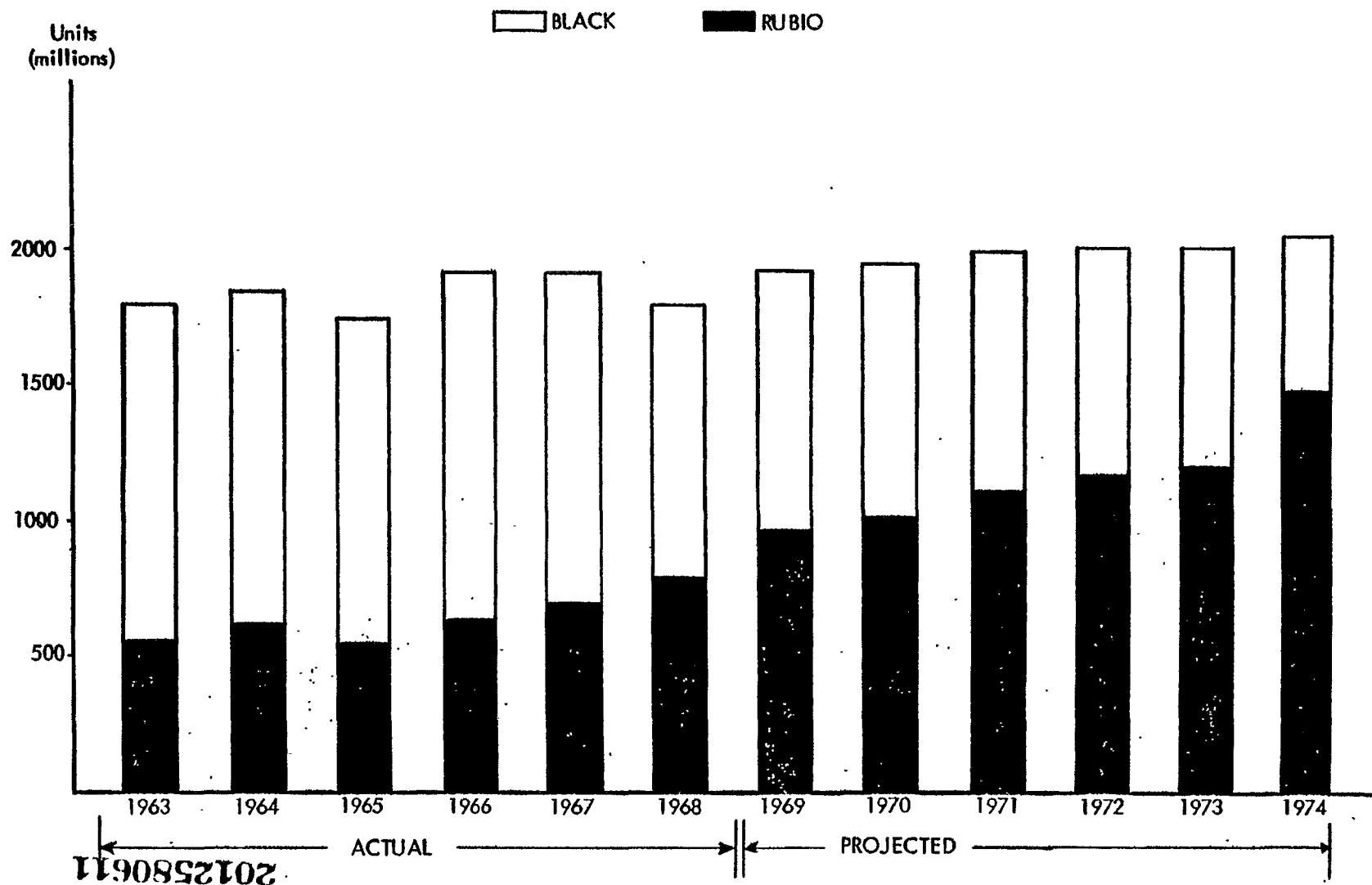


DOMINICAN REPUBLIC  
CIGARETTE MARKET

|                               | 1963  | 1964  | 1965  | 1966  | 1967  | 1968  | <u>Estimated</u> |       |       |       |       |       | <u>Compound Annual Growth</u> |         |
|-------------------------------|-------|-------|-------|-------|-------|-------|------------------|-------|-------|-------|-------|-------|-------------------------------|---------|
|                               |       |       |       |       |       |       | 1969             | 1970  | 1971  | 1972  | 1973  | 1974  | 1963-68                       | 1969-74 |
| <u>Total Units (millions)</u> | 1,805 | 1,862 | 1,758 | 1,929 | 1,920 | 1,798 | 1,920            | 1,950 | 1,980 | 2,000 | 2,000 | 2,100 |                               | 1.8%    |
| Rubio (millions)              | 565   | 625   | 562   | 652   | 712   | 806   | 970              | 1,030 | 1,100 | 1,200 | 1,250 | 1,400 | 7.4%                          | 7.6%    |
| % of total                    | 31.3  | 33.6  | 32.0  | 33.8  | 37.1  | 44.8  | 50.5             | 52.8  | 55.6  | 60.0  | 62.5  | 66.7  |                               |         |
| Black (millions)              | 1,240 | 1,237 | 1,195 | 1,277 | 1,208 | 992   | 950              | 920   | 880   | 800   | 750   | 700   | (4.4%)                        | (6.0%)  |
| % of total                    | 68.7  | 66.4  | 68.0  | 66.2  | 62.9  | 55.2  | 49.5             | 47.2  | 44.2  | 40.0  | 37.5  | 33.3  |                               |         |
| <u>Share of total market</u>  |       |       |       |       |       |       |                  |       |       |       |       |       |                               |         |
| C.A.T. (%)                    | 77.3  | 68.7  | 73.1  | 73.0  | 72.2  | 76.0  | 77.2             | 71.0  | 69.0  | 68.8  | 68.8  | 59.0  |                               |         |
| LEON (%)                      | 22.7  | 31.3  | 26.9  | 27.0  | 27.8  | 24.0  | 22.8             | 29.0  | 31.0  | 31.2  | 31.2  | 41.0  |                               |         |
| <u>Company Mix:</u>           |       |       |       |       |       |       |                  |       |       |       |       |       |                               |         |
| <u>Black</u>                  |       |       |       |       |       |       |                  |       |       |       |       |       |                               |         |
| C.A.T. (%)                    | 82.3  | 79.0  | 82.8  | 83.0  | 77.6  | 81.8  | 80.4             | 74.5  | 73.4  | 75.0  | 76.0  | 86.0  |                               |         |
| LEON (%)                      | 17.7  | 21.0  | 17.2  | 17.0  | 22.4  | 18.2  | 19.6             | 25.5  | 26.6  | 25.0  | 24.0  | 14.0  |                               |         |
| <u>Rubio</u>                  |       |       |       |       |       |       |                  |       |       |       |       |       |                               |         |
| C.A.T. (%)                    | 66.3  | 48.3  | 52.4  | 53.0  | 63.0  | 68.9  | 74.1             | 67.7  | 65.7  | 65.0  | 65.0  | 45.0  |                               |         |
| LEON (%)                      | 33.7  | 51.7  | 47.6  | 47.0  | 37.0  | 31.1  | 25.9             | 32.3  | 34.3  | 35.0  | 35.0  | 55.0  |                               |         |

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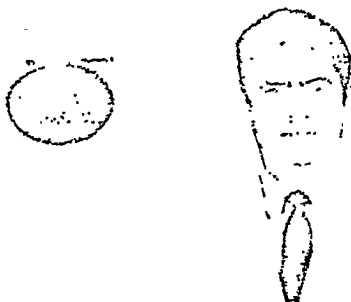
# DOMINICAN REPUBLIC MARKET SEGMENTS





BIOGRAPHICAL SKETCHES  
OF  
MANAGEMENT PERSONNEL

2012580612



NAME:

Eduardo Antonio León

ADDRESS:

REDACTED

BORN:

HEIGHT & WEIGHT:

NATIONALITY:

Dominican

MARITAL STATUS:

REDACTED

PROFESSION:

Business Administration

LANGUAGES:

REDACTED

2012580613

Eduardo Antonio León

No. 2

EDUCATION & TRAINING:

(1) College - 1937-1940

Graduated in Business Administration from McGill University, O'Sullivan Business College, Montreal, Canada.

Major courses were sales, personnel and public relations.

Participated in two major sports: Tennis & Baseball.

**REDACTED**

Graduated from Greenbrier Military Academy, Lewisburg, West Virginia, obtaining Scientific Diploma. Was member of Senior rifle & Tennis teams.

Academia Sta. Ana, in Santiago de los Caballeros for a period of three years and one year at Escuela Normal Superior in the same city.

2012580614

Eduardo Antonio León

No. 3

EMPLOYMENT HISTORY:

1940 to 1955 Employed at the family owned tobacco firm E. LEON JIMENES, C. POR A. (the largest cigar concern in the Dominican Republic) in charge of sales and public relations. Vice-President in 1948 and President in 1952 after the death of the President.

1952 to 1953 President of a real estate concern named SOCIEDAD BIENES RAICES, C. POR A. Assets over one million dollars. Santiago, Dominican Republic.

1948 My family started to develop a cattle ranch named HACIENDA GANADERA, C. POR A. in Sabana del Puerto, Dominican Republic. I was President, until 1955.

1953 Appointed Under Secretary of State (Foreign Affairs) for the Dominican Government until 1955.

1955 to 1957 Appointed Under Secretary of State for Industry & Commerce. At that time served on the Board of Directors of the Dominican Central Bank and Banco Agrícola e Industrial de la República Dominicana, Santo Domingo, Dominican Republic.

2012580615

• MAS DE MEDIO SIGLO PRODUCIENDO CALIDAD •

1957 Ambassador on a Special Mission, Havana, Cuba.

1957 to 1958 Envoy Extraordinary and Minister Plenipotentiary in charge of all commercial affairs of the Dominican Government, Washington, D.C.

1958 to 1959 Envoy Extraordinary and Minister Plenipotentiary attached to the Dominican Embassy, London, England, representing the Dominican Republic at the International Sugar Council.

1959 to 1961 Envoy Extraordinary and Minister Plenipotentiary, Ottawa, Canada.

1961 to 1963 Member of the Board of Directors Government owned sugar complex, Corporación Azucarera Dominicana.

1965 Member of the Board of Directors Asociación para el Desarrollo, Inc. (A development association for the promotion of new enterprise).

1961 to 1969 Returned as President of E. LEON JIMENES, C. POR A. to take charge of the planning, building and enlargement of this firm, converted from a family owned company to a public corporation for cigarette manufacturing.

1969 Appointed Delegate of the Dominican Republic Mission to the United Nations with the rank of Ambassador for the closing session.

2012580616



Eduardo Antonio León

No. 5

DECORATIONS:

Order of Duarte, Sánchez y Mella in rank of Commander (the highest Dominican decoration).

Order of Christopher Columbus in the same rank.

MEMBER OF THE FOLLOWING CLUBS:

**REDACTED**

**REDACTED**

**REDACTED**

2012580617



NAME:

Fernando Arturo León

ADDRESS:

P. O. Box 332  
Santiago de los Caballeros  
Dominican Republic

BORN:

REDACTED

HEIGHT & WEIGHT:

REDACTED

NATIONALITY:

REDACTED

MARITAL STATUS:

REDACTED

PROFESSION:

Business Administration.

LANGUAGES:

REDACTED

EDUCATION & TRAINING:

(1) College - 1938-1941

Sir George Williams Business College  
Montreal, Canada.

2012580618

Fernando Arturo León

No. 2**REDACTED**

Graduated from Greenbrier Military Academy, Lewisburg, West Virginia, obtaining Scientific Diploma. Was member of Boot & Spur Club, Rifle Team, Boxing.

Academia Sta. Ana; Santiago de los Caballeros, Dominican Republic.

EMPLOYMENT HISTORY:

1941 to 1945 Employed at the family owned tobacco firm E. LEON JIMENES, C. POR A. (the largest cigar concern in the Dominican Republic) as Leaf Department Superintendent.

1945 to 1951 Tobacco Purchasing Superintendent.

1951 to 1963 Vice-President Tobacco and Production.

1955 to 1969 President of HACIENDA GANADERA, C. POR A., Sabana del Puerto, Dominican Republic. (A cattle ranch which my family started to develop in 1948).

1963 to 1969 Executive Vice-President.

2012580619

• MAS DE MEDIO SIGLO PRODUCIENDO CALIDAD •



1967 to 1968 Member of the Board of Directors  
of Banco Agrícola e Industrial, Santo Domingo,  
Dominican Republic.

1968 to 1969 Member Comisión Reguladora de  
Exportación de Carnes, Santo Domingo, Dominican  
Republic.

1968 to 1969 Member of the Board of Directors  
Asociación de Hacendados y Ganaderos.

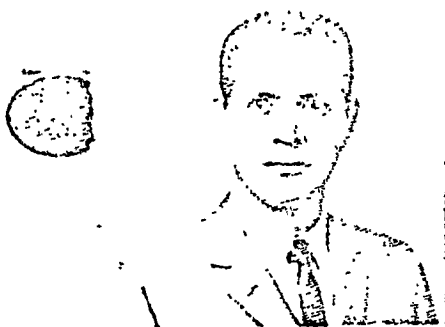
1968 to 1969 Vice-President Matadero Industrial  
del Norte S.A., Santiago de los Caballeros,  
Dominican Republic.

MEMBER OF THE FOLLOWING CLUBS:

Centro de Recreo Inc.  
Gurabito Country Club  
Santiago Tennis Club  
Club Santiago  
Club de Caza y Pesca  
(Santiago de los Caballeros, Dominican Republic)

Club Náutico Inc.  
(Santo Domingo, Dominican Republic)

2012580620



NAME:

Carlos Guillermo León

ADDRESS:

REDACTED

BORN:

HEIGHT & WEIGHT:

REDACTED

NATIONALITY:

MARITAL STATUS:

REDACTED

LANGUAGES:


REDACTED

EDUCATION & TRAINING:

(1) College - 1947-1949

Civil Engineering, Georgia Tech,  
Atlanta, Georgia.

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Carlos Guillermo León

No. 2

1949-1950

Land Surveying, Universidad Autónoma de Santo Domingo, Santo Domingo, Dominican Republic.

**REDACTED**

Graduated from Greenbrier Military Academy, Lewisburg, West Virginia, obtaining Scientific Diploma. Was member of Honor Court, Varsity Baseball Club & Non Commission Officers' Club.

Academia Santa Ana, Academia Santiago and Colegio La Salle - Santiago de los Caballeros, Dominican Republic.

EMPLOYMENT HISTORY:


1950 to 1952 Employed at the family owned tobacco firm E. LEON JIMENES, C. POR A. (the largest cigar concern in the Dominican Republic) as Payroll Clerk and Paymaster.

1952 to 1954 In charge of cigar factory in Peña, Tamboril, Province of Santiago, Dominican Republic.

1954 to 1961 Salesman.

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• MAS DE MEDIO SIGLO PRODUCIENDO CALIDAD •

  
Carlos Guillermo León

No. 3

1961 to 1963 Assistant Vice-President, in charge of Sales and Advertising.

1963 Founding member of Asociación para el Desarrollo, Inc. (A development association for the promotion of new enterprise).

1963 to 1968 Vice-President, in charge of Personnel Department.

1968 to 1969 Vice-President, in charge of Sales Department Northern District.

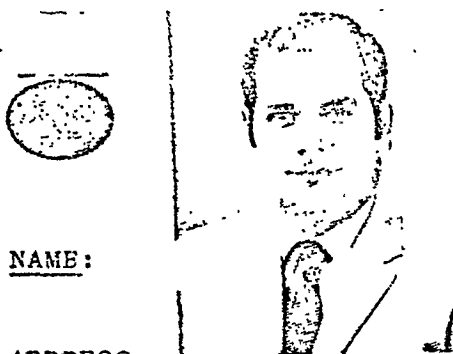
MEMBER OF THE FOLLOWING CLUBS:

**REDACTED**

**REDACTED**

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• MAS DE MEDIO SIGLO PRODUCIENDO CALIDAD •



NAME:

José Augusto León

ADDRESS:

BORN:

REDACTED

HEIGHT & WEIGHT:

NATIONALITY:

REDACTED

MARITAL STATUS:

REDACTED

PROFESSION:

Business Administration

LANGUAGES:

REDACTED

EDUCATION & TRAINING:

1949 to 1953 Taft School, Watertown, Conn.  
Class Committee '50, Chairman '51, '52,  
Head Monitor, '53.

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José Augusto León

No. 2

1953 to 1954 Pennsylvania State College, State College, Pa. Animal Husbandry - One year course.

1954 to 1957 Babson Institute of Business Administration, Wellesley, Mass.  
B. S. Business Administration, major: Distribution  
Vice-President Alpha Delta Sigma  
Vice-President Cosmopolitan Club.

EMPLOYMENT HISTORY:

1957 to 1960 Employed at the family owned tobacco firm E. LEON JIMENES, C. POR A. (the largest cigar concern in the Dominican Republic) as Salesman.

1960 to 1963 Supervisor Sales Department.

1963 to 1969 Vice-President Marketing.

1963 to 1964 Marketing Professor: Universidad Católica Madre y Maestra, Santiago de los Caballeros, Dominican Republic.

1966 to 1967 Marketing Professor: Organización y Método c.a.

1969 Vice-President Asociación de Industrias de la República Dominicana Inc., Santo Domingo, Dominican Republic.

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• MAS DE MEDIO SIGLO PRODUCIENDO CALIDAD •



José Augusto León

No. 3

MEMBER OF THE FOLLOWING CLUBS:

REDACTED

REDACTED

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